

MEETING OF THE CALIFORNIA STATE BOARD OF FOOD AND AGRICULTURE

(ALL MEETINGS OPEN TO THE GENERAL PUBLIC)

Location: CDFA Auditorium
1220 N Street
Sacramento, CA 95814

Contact: Helen Lopez
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AMENDED

MEETING MINUTES FOR MARCH 28, 2007

Item
No.

(1) CALL TO ORDER

- (a) The meeting was called to order Wednesday, March 28, at approximately 9:00 a.m. Al Montna, President of the State Board of Food and Agriculture presiding.
- (b) Welcoming remarks provided by Al Montna.
- (c) Pledge of Allegiance.

(2) ROLL CALL

Roll call taken by Helen Lopez, Executive Director. A quorum was present.

Present:

Ann Bacchetti-Silva	Tom Deardorff	Al Montna
Ashley Boren	Luawanna Hallstrom	Adan Ortega
Don Bransford	Craig McNamara	
Drue Brown	Bill Moncovich	

Absent:

Wayne Bidlack	Marvin Meyers	Karen Ross
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(3) APPROVAL OF MINUTES – February 28, 2007

MOTION: Board Member Craig McNamara moved to approve the minutes of the February 28, 2007 meeting. The motion was seconded by Board Member Don Bransford and a unanimous vote carried the motion.

(4) OPENING REMARKS AND INTRODUCTION

President Montna welcomed everyone to the meeting and discussion of California's diversity and how the Farm Bill can address California's 300 commodities.

Secretary Kawamura introduced newly appointed Undersecretary George Gomes. He then briefed the Board on his recent participation in the National Association of State Departments of Agriculture (NASDA) committee meeting held in Washington DC.

NASDA's Farm Bill proposal consists of 200 recommendations representing a consensus of all state departments of agriculture to establish a nationwide view of what a Farm Bill can be. It is agreed there is not enough money for all the things wanted in the farm bill and this is a big challenge. All acknowledge and recognize the active engagement of all fifty states and congressional delegates who are unified and ready to invest in a farm bill. California strategy for the farm bill must converge resources and efforts to ensure a vision that is not split in different factions. The State Board has the best chance to help coordinate this effort in conjunction with the Department to get all 53 California Congressional Delegates on board with the farm bill concept.

ACTION ITEM: Secretary Kawamura has authorized President Montna and the Board members to coordinate a Task Force to address farm bill issues and public outreach. President Montna referred the Board members to the Department's 2007 Farm Bill Executive Summary to assist in formulating and recommending a Task Force for the 2007 California Farm Bill Campaign.

Undersecretary Gomes expressed there is great potential for the future needs of California agriculture and the unity of action will be what gets us there. Pest exclusion and detection programs are something to focus our attention on in the immediate future.

(5) PRESENTATIONS BY GUEST SPEAKERS

Secretary A.G. Kawamura, CA Department of Food and Agriculture

There are a lot of legislative pieces including Congressmen Cardoza's HR1600. The next step is to get a consensus internally, at the capitol level, and externally on these different proposals. The Department's proposal, as well as the NASDA proposal endorses Block Grants as the best way to stimulate businesses, economies, and converging resources. There have been many great written comments about these proposals. The Secretary encouraged everyone to take a look at these comments and background materials posted on the CDFA website, the link is: www.cdfa.ca.gov/farmbill07. The CDFA perspective of a Farm Bill incorporates the valuable and excellent participation of the CA Resources Agency, the Environmental Protection Agency, Health & Human Services, and Cabinet Secretaries.

Secretary Kawamura introduced Robert Tse, CDFA's Director of Trade. Robert Tse commented that within CDFA, part of the discussion and strategy is to get as much of the California perspective into the Farm Bill and be as unified as possible.

Secretary Kawamura acknowledged and recognized our congressional delegation working on the Farm Bill under the leadership of Dennis Cardoza. Chairman Cardoza has done an amazing job of elevating all the different issues that are so important to the State.

Jay Chamberlain, Deputy Assistant Secretary, CA Resources Agency

Mr. Chamberlain indicated that the \$3 a gallon we are paying for gasoline keeps us at the table discussing all things important to California in the next Farm Bill. Budget discussions in Washington DC are pretty grim. Senator Conrad augmented the baseline by \$15 billion in his version of the Senate Budget Resolution last Friday.

The next Farm Bill should improve our environment by reducing our needs and dependence on foreign sources of energy through expanded production and use of alternative fuels. In the context of the Farm Bill platform we have crafted here in

California, energy has a very strong showing and is prominently displayed. The Resources Agency supports the way this position has been framed in California's energy position. The energy position in the Farm Bill should achieve bio-fuel objectives and support a strong energy policy in California. It is important to realize the connection of the energy title to the rural development title, conservation title, and the forestry title. The CA Energy Commission has prioritized a specific action plan to promote sustainable bio-mass development here in California in support of AB32, "The Global Warming Solutions Act of 2006", and the actions of the "Climate Action Team" that will figure prominently in the energy conversations.

The bio-energy action plan specifically identifies the priorities as securing federal funding to support research, demonstration, and development projects to promote bio-energy. The ways that the policy document outlines the promotion of bio-fuels includes the following:

- Demonstrating commercial readiness of bio-fuel production and advance bio-mass conversion technologies
- Advancing cellulosic ethanol derived forestry, agriculture and other wastes
- Meeting the objectives of the 25X25 Initiative
- Implementation of field demonstrations for the most efficient bio-mass harvesting for small forest materials, demonstrating new crop existence and bio-mass handling

The Resources Agency remains extremely interested in forestry provisions in the 2007 Farm Bill and is seeking continuation of existing policies including:

- Cost-sharing for private forest land owners for the development of stewardship plans
- Planning and implementation of management
- Best management practices

In our forests, there is an over-abundance of bio-mass, mostly woody undergrowth and other forest residuals that can be a great source for bio-fuel production, co-generation and cellulosic ethanol production. Pursuant to the bio-energy action plan, the idea is to focus on supporting bio-energy processing facilities that use these forest residuals to generate power. We are looking for investments in forestry and planning, so that land owners can devise a bio-mass extraction that benefits the eco-system and helps provide the technical and financial assistance needed for this kind of forest management.

Another thing to highlight is working lands conservation. Loss of working landscapes is argumentatively the most pressing problem facing California.

The Energy Commission's Public Interests Energy Research Program has funded more than 30 bio-mass and waste energy projects totaling a \$25 million investment statewide. A \$1 million grant went to an Irvine facility that generates cellulosic ethanol (one of the first in the country) called the Blue Fire Ethanol Facility.

Kathyn Phillips, Manager, CA Clean Air for Life Campaign Environmental Defense

Ms. Phillips indicated that agriculture and environmentalists have reached a consensus on the Conservation Title marker bills: Congressman Cardoza's, Eat Healthy for America Act and Congressmen Ron Kind's, Healthy Farms, Foods, and Fuels Act.

For California, the conservation title provides cost share, and in some cases, full funding for farmers voluntary action to protect air and water quality, watershed, and wildlife habitats. This year, Conservationist Ed Burton has committed \$1 million to an initiative that will provide cost sharing assistance to land owners implementing practices that enhance habitat for rare, endangered, or threatened species. This initiative is complemented by Wildlife Habitat Incentives Program (WHIP) which is part of the 2005 Farm Bill.

About 50 acres of farm land disappears each day due to housing and commercial development. The conservation title has a funding portion used to buy development easements on farm land to keep farm land working land.

The 2002 Farm Bill enabled NRCS to use the Environmental Quality Incentive Program funding to reduce air pollution in California this has amounted to about \$500 billion a year since 2002. Environmentalist and farmers agree the Conservation Title is one of the single most important federal source of incentive funding that can be used to protect the environment.

It is vitally important that the California Congressional delegation remain unified as the farm bill moves forward. It is requested to double the effort to get this message to the Southern California urban members of the delegation.

Jack King, Manager, CA Farm Bureau Federation National Affairs Division

Mr. King stated that the interest and enthusiasm of our congressional delegation is exciting and they want to hear a clear and concise voice from California as to what we want in a farm bill. As an industry we need to identify those issues for the common good. Congressman Cardoza is proposing an Ag Summit with California Agriculture and the House delegation to advance common goals and future impacts.

This farm bill belongs to everyone and interest is keen in the energy title, specialty crops, traditional farm programs, market development, trade and the advancement of foreign trade. One reality of this farm bill is the baseline budget estimated to have a commodity title of \$7.4 billion down from \$16 billion. 2% of the total agricultural outlay of the commodity title comes to California and 1% to 2% for conservation titles. California needs to find creative ways to use this money to benefit the common good.

Discussions in the farm bill: Putting APHIS back in with the USDA and Cool – Country of Origin Labeling.

Broad Issues in the farm bill: Maintain current planning probation, appropriate conservation spending, increase spending on research, mechanization research, trade promotion and trade development, maintenance of current payment limits, and nutrition programs.

Dee Dee D'Adamo, Office of Congressman Cardoza

Ms. D'Adamo stated that in 2005, out of over \$21 billion in payments, California received a 3% share of Commodity Program Direct Payments. In 2004, California only received 1% of Conservation Program Payment. In 2005, conservation payments increased to 3%. Conservation spending does not reflect California's position as the nation's #1 Ag producing state.

In the interest and consideration of the conservation title, specialty crops, and nutrition: The Equitable Agriculture Today for a Healthy America (EAT Healthy America) Act was re-introduced in the 110th Congress with 80 sponsors and cosponsors. The Bill provides for increased federal investment resources for consumption of nutritious products, farmer conservation program opportunities, and research programs. The Bill is expected to be brought to the Floor in June or July.

Rich Rominger, Board Member, American Farmland Trust

Mr. Rominger indicated that this farm bill is a challenge like no other, available funding will be inadequate to satisfy needs. If California's needs are to be met it is critical to have a united congressional delegation. So far, twenty members have signed the Cardoza Bill. It is important to ensure conservation is not short changed among very competitive bills, such as the Northeast Mid-Atlantic Conservation Bill.

California needs more dollars in the conservation title to help offset corn production and demand and to withstand WTO challenges.

Mr. Rominger encouraged everyone to talk with Congressmen Peterson when he visits California, and congratulated CDFA and agriculture for staging this farm bill platform.

Matt McInerney, Executive Vice President Western Growers

Mr. McInerney indicated that since 2002, a Specialty Crop Alliance was formed for the farm bill debate resulting in the Specialty Crop Competitive Act of 2003 (passed in 2004) that included Block Grants.

Flex acreage elimination will have a significant impact on specialty crops. State Block grants are a perfect blend for all titles within the farm bill. Strategies should focus on specialty crops and nutrition.

Mike Marsh, Western United Dairymen – Dairy Perspective on Farm Bill

Should have the baseline available to support:

- Economic policies including price support program, milk income loss, dairy export incentive, and disaster assistance
- Conservation title to include EAT Healthy Act, Environmental Quality Incentive Program(EQIP), Conservation Security Program (CSP), and Wildlife Habitat Incentive Program (WHIP)
- Nutrition title to include National School Lunch Program, Food Stamps, Women and Infant Children (WIC), and add funding for fruits and vegetables
- Energy title including Ethanol and Biomethane

Next step: McKinsey Report – In-depth study outlines potential growth strategies for California dairy industry from minimizing environmental mitigation costs to refinancing quota to investing in production efficiency and product innovation. The California Dairy Industry will hold its 2nd meeting (in a series of meetings) surrounding this report on April 11, 2007 in Modesto.

Doug Maddox, Ruann Dairy and Maddox Dairy

Mr. Maddox indicated that the dairy industry is the single largest segment of California agriculture. California produces 35 million pounds of milk annually and about 22 percent of the U.S. milk supply. In the total \$30 billion of Farm Gate value generated in California agriculture, 6 million is from the dairy industry. The dairy industry creates

about 360 thousand jobs contributing over \$1 billion dollars in federal, state and local tax revenue. The California Milk Pooling Program as administered by the California Department of Food and Agriculture has been a model for the United States.

The dairy industry faces fundamental problems:

- 2/3 of dairy farmers are concerned about the direction and future of the industry
- High feed prices are taking a toll
- California dairies are leaving California for better opportunities

The McKensey Report identifies three key challenges:

- Increased regulatory costs
- Oversupply of raw milk
- Lack of investments in research and manufacturing

This study outlines five areas where significant changes need to take place:

- Minimize environmental mitigation costs
- Continue successful promotion and marketing investments
- Invest more in production efficiency and product innovation
- Suggest more efficient laws and regulations
- Refinance quota

The study recommends and identifies three options:

Option 1 – Reformed Regulator

- Set prices reducing the number of classes to two – fluid and manufactured - would create better incentives and to innovate and process high value manufactured products
- Manage capacity – To combat oversupply, the industry could allot producers a new quota based on today's pooled production entitling its holder to sell one unit of raw milk through the pooling system
- Funding investments – The fluid milk differential could pay bond payments and the remaining amount would fund research, development and marketing
- Share value – The retention of the pooling system and tiered pricing capture substantial value chain

Option 2 – Controlled Market

- Set prices, government would no longer set prices; producers would negotiate prices on an individual level
- Manage capacity; a market based solution would base production decisions on foreseeable market prices
- Fund investments, a fluid milk surcharge assessment could underwrite the bond and fund industry wide investments
- Share value, the surcharge would help retain industry value for producers and provide funding for environmental mitigation

Option 3 – One Federated Marketing Co-op

- Set prices – producers organize a co-op to market all pooled milk in the state
- Manage capacity – producers have a forum to jointly agree to limit or expand production
- Fund investment – producers would have proper incentives to invest
- Share value – Single co-op would give producers substantial negotiating power

Dairy is the only commodity that has its own division within the California Department of Food and Agriculture. While all major decisions will need to be producer driven, the Department administers the Milk Pooling Plan and is key to any plan of action. Therefore, the dairy industry is asking this Board to recommend to the Secretary of Agriculture to appoint a Blue Ribbon Panel of dairy farmers and using the McKinsey Report as a basis to recommend to the Secretary a plan of action that sets priority and a direction to take the action necessary to empower the industry to maintain, grow and thrive now and in the future. We are hoping this plan will serve as a catalyst for this action. Also, that this action we will take will play a key role in keeping dairy farmers off the endangered species list.

Board member Ann Silva commented that this should be an unbiased entity and should be a committee of a cross section of the industry (large producers, quota holders, non-quota holders) with no opinion going in as to education process, to determine what is best for all of California producers. Time is of the essence with the McKinsey Report hot off the press.

Board member Drew Brown recommended the committee should include a public member.

Secretary Kawamura commented, one of the greatest threats to the dairy industry is unpredictability of feed costs, regulatory costs, and weather. From this list, one of the greatest threats to agriculture and all farmers is unpredictability and an unpredictable labor supply. Easily, one of the things this conversation encompasses too, for all nations, unpredictable dependence on agriculture whether its tortillas or just a stable food supply; is something, that again, helps us balance this whole discussion back to what a farm bill is all about which is to establish predictability for the ability to produce fiber and fuel. As we see the broader picture, at the global level down to the national level, down to the state level, and down to the commodity level. These are the things that we seek in trying to have a meeting like this and to create whether it's a blue ribbon panel or a campaign for a farm bill. I just want to put it into a perspective for coming forward and recognizing that we have a problem that is driven by unpredictability, we recommend that trying to find solutions starts with this kind of process. Secretary Kawamura thanked Doug Maddox for his willingness to step up and help push this forward.

Al Montna presented to the Board the recommendation of Doug Maddox which stated: "that the Secretary appoint a Blue Ribbon Panel of dairy men and women to evaluate whether quota as part of California's Milk Pooling System should continue, be modified, or retired. To make recommendations to the State Board and the Secretary as a first step in addressing conditions as the dairy has outlined it in the McKinsey Report. Also, that Al Montna works with the dairy industry as President of the Board to recommend to the Secretary the people who will be on the panel". **Al Montna will enlist Ann Silva as a committee member.**

MOTION: Board Member Adan Ortega moved to approve the recommendation as presented by Doug Maddox. The motion was seconded by Board Member Don Bransford and a unanimous vote carried the motion.

Board Member Adan Ortega commented one of the things that might be advisable for an outside member would be an expert who has witnessed the collapse of a

commodity in terms of competitiveness and has a case study of what was involved in that and what were the solutions.

Board Member Ann Silva commented the McKinsey Report is a case study of every system and there is a lot of information that provide a guideline for how other nations have dealt with the pros and cons of quota systems. With this blue ribbon panel, the focus will be specifically to the quota system.

Board Member Luawanna Hallstrom commented of the importance of having diversity within the dairy industry itself because of the concerns about the difference in opinions within the Dairy industry.

Al Montna thanked Doug Maddox for his recommendation that is far reaching across the dairy industry and hopefully, Ann Silva will help create the balance the dairy industry is looking for.

Frank Rehermann, Chairman of the Board California Rice Commission

Mr. Rehermann indicated that the 2002 Farm Bill has worked well for the Rice industry providing a safety net for producers and other interested stakeholders with stability and predictability for the counter cyclical program in the reality of low commodity prices. A dominant point in the 2007 farm bill debate will be a restoration of suspicious budget allocations for this legislation. Restoring an original allocation budget is something California can support and an increase is essential to provide a safety net for rice growers and all other interested parties in this bill.

Specifically to rice, the farm bill needs to include:

- Basic support through loan eligibility for rice produced in accordance with the program
- Income support through direct payments
- Development and expansion of global markets
- Policy and incentive programs that encourage conversion of 1.2 million tons of rice straw into biofuel
- Recognition of significant environmental contributions on working rice lands

The rice industry foresees a 34 percent increase in production costs and are concerned with the Administration's proposal in relation to Title 1, payment limits. The University of California in conjunction with the Rice Commission is completing a 2007 update of rice production costs.

In trade policy it is interesting to note, the United States market for imported rice is open, with tariff on rice imports almost non-existent. Access to foreign markets is critical to the rice industry. WTO negotiations are critical to bring down trade barriers. Trade agreements that are meaningful, verifiable and provide timely market access for California rice are essential.

Paul Buttner, Environmental Affairs California Rice Commission

Mr. Buttner indicated that the 2007 farm bill needs to recognize the inherent aspect of rice in production.

With 95 percent of wetlands gone, some 235 species of wildlife have now come to depend on rice in the Sacramento Valley. During certain times of the year, rice fields

hold 60% of waterfowl on the Pacific Flyway, an important ecological corridor of bird migration. The Central Valley collaborative joint venture for conservation, organizations and resource agencies' plan confirms that over 50 percent of the food needs for waterfowl are coming from rice. In economic terms, 175 thousand acres of wetlands are needed to support California waterfowl. The going price for wetland restoration is approximately \$35 hundred per acre and to maintain these lands is approximately \$20 million per year. Farm bill programs that safeguard wetland acres have real and quantifiable benefits to wildlife as supported by the conservation title. Programs such as the Conservation Security Program and the Environmental Incentives Program provide important tools for a strong commodity title that provides unparalleled wildlife habitat.

We see the Administration's proposal headed in the general direction of consolidation, and stream lining with greater emphasize on working lands.

Five points to improve these programs:

- Greater investment in the Nation's working lands verses land retirement programs
- Payments provided for habitat values and other environmental improvements
- Reduced overlap and redundancy among farm bill programs
- Streamline integration, consolidation, and simplification of the application process
- A dedicated and reliable appropriation (from year to year) to support programs objectives

We are extremely focused on opportunities to use large quantities of rice straw (along with other cellulosic biomass) to produce ethanol domestically in the interest of the State's Global Warming Solutions Act of 2006.

Katie Otto, Director of Public Relations & Outreach California Cattlemen's Association – Cattlemen Perspective on the Farm Bill

Ms. Otto indicated that the cattle industry has five key areas identified as priorities in the farm bill under the Conservation title:

- Disaster assistance
- Livestock identification
- Renewable energy provisions
- Animal welfare
- Research

The California Ranch Land Coalition recognizes the clear need to increase the funding for the conservation title in anticipation of its final draft.

Specific changes needed to appeal to ranchers are:

- Grassland Reserve Program (GRP)
- Cooperative Conservation
- Environmental Quality Incentives Program (EQIP)
- Farm and Ranch Land Protection Program (FRPP)
- Conservation Security Program (CSP)

In addition, the cattle industry would like to see the following provisions in the farm bill:

- The establishment of a permanently authorized disaster program
- A market driven livestock and meat identification program developed by the cattle industry to provide information to interested consumers
- The support of voluntary programs to identify animal disease and surveillance

- Support efforts to increase renewable energy sources
- Oppose efforts to insert animal welfare provisions that would limit or otherwise alter accepted industry practices
- Support federal funding for research efforts that benefit agriculture.

Daniel Sumner, Director University of California Agricultural Issues Center

Mr. Sumner indicated that for the 2007 farm bill, the baseline budget is much smaller than recent spending under the FSRI Act because the Congressional Budget Office (and all other forecasters) is projecting much higher program crop prices for the next several years. Refer to: CBO March 2007 Baseline for the 2002 Farm Bill Programs and Provisions (Mandatory Spending only) spreadsheet provided by Dr. Sumner.

The farm bill budget is expected to be smaller than last year and it may be more difficult to find additional dollars within the agricultural budget to fund budget increases for:

- Conservation and environment
- Research
- Nutrition education
- Demand enhancement
- Invasive species protection
- And, related activities as advocated by groups outside traditional program commodities

Commodity programs expected to receive \$12 billion per year in price-contingent subsidies, but much of this money is no longer in the agriculture budget

Program commodities (other than cotton) are expected to be much less dependent on farm subsidies over the next farm bill which means agriculture has much less to work with than 5 years ago.

Greg Van Wassenhove, Santa Clara County Agricultural Commissioner

The California Agricultural Commissioners and Sealers Association encourage support for a national program for the early detection of pests and diseases within the 2007 farm bill to assist:

- The risk of the accidental or intentional introduction of exotic and invasive species
- The risk of inadequate surveillance systems to intercept shipments and parcels harboring pests and diseases and systems for early pest detection using traps and agricultural pest surveys

On January 24, 2007, Congressman Jim Costa, along with 31 co-sponsors introduced HR 667, the Early Pest Detection and Surveillance Improvement Act. This legislation authorizes a national program for pest detection and requires the Secretary of Agriculture to offer cooperative agreements to states to establish an early pest detection and surveillance program. Most of the language in HR 667 has been included in the Eat Healthy America Act authored by Congressman Cardoza. The Eat Healthy America Act authorizes an annual appropriation of \$50 million for early pest detection activities specific to the Cooperative Agricultural Pest Survey Program, but does not include funding for domestic plant shipment inspections between states. Chairman Cardoza has agreed to discuss the domestic inspection program at a sub-committee hearing in an effort to amend the bill to include this language.

Concurrently, a companion bill HR 667 has been introduced by Senator Boxer and three cosponsors. There is the S 949, also titled the Early Pest Detection and Surveillance Improvement Act. It is very optimistic that the language from S 949 will be included in its entirety into a similar Farm Bill proposal on the Senate side.

In pest outbreaks, billions of federal and state dollars are spent on eradication programs, it is time to increase funds for prevention efforts.

Kim McCoy Wade, Executive Director California Association of Food Banks – Nutrition Perspective

The California Association of Food Banks has four priorities to fight hunger and promote nutrition in the 2007 reauthorization of the farm bill:

- The Food Stamp Program: provides 2 million people with an average of \$1 dollar per meal to purchase food
- The Emergency Food Assistance Program (TEFAP) provides commodity foods to food banks for distribution to approximately 1 million low-income people
- The Commodity Supplement Food Program (CSAP) provides a box of nutritious food to food banks for distribution to 53,000 California seniors, children under 6, and women who are pregnant or breastfeeding
- CAFB's Farm to Family connects growers and packers with food banks providing 22 million pounds of fresh produce to families in need
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The California Association of Food Banks supports:

- The Presidential Declaration of Disaster to offset the effects of the California Citrus Freeze.
- The Boxer-Costa-Nunes-Cardoza "Emergency Farm Assistant Act"

To help ensure disaster food stamps and emergency food reaches farm workers and agricultural communities.

Robert Tse, Director of Trade California Department of Food & Agriculture

Mr. Tse indicated that is important to get the California congressional delegation to unify symbolically in the three co-sponsored marker bills and in the outreach efforts to reach urban/suburban members of Congress.

New Specialty Crop Block Grants funds will soon be available for grant applications. A formal announcement is expected next month. In 2004, Congress passed the California Competitiveness Act that authorized \$44.5 million for specialty crop block grants. This full amount has not been appropriated. Last year, Congress authorized \$7 million in appropriations for specialty block grants nationally. California's share of that is \$654 thousand dollars. The agricultural marketing service at USDA has issued a series of rules and regulations that will actually improve grant proposals. This program is running through state departments of agriculture, so each state is required to submit an expenditure plan to the AMS for approval. The Department will accept grant proposals up to \$100 thousand dollars (maximum size). All part of the original Act, these applications will be accessed by cost, industry benefits and matching funds. Due to this continuing resolution, an additional specialty crop fund of \$6 million is anticipated to become available in the 2007 USDA budget that amounts to \$1.2 million dollars available for block grants.

(6) COMMENTS FROM THE PUBLIC

It was noted: Ken Trott of the Department of Food and Agriculture presented a public letter from Alico, Inc. to the Board for consideration of the “Farmland Stewardship Process”.

Martin Bourque, Executive Director, Environment Community and Justice, Ecology Center requested that his letter containing comments on the 2007 Farm Bill be presented to the Board during the public comment session. His comments were read by Board President Al Montna.

(7) CLOSING COMMENTS AND ADJOURNMENT

With no further business before the Board, the meeting was adjourned at approximately 5:00 p.m.